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**IBEW/City of San Jose Negotiations
IBEW Package Proposal 4**

Term

Two (2) year term starting July 1, 2011

Wages

Undo one-time and ongoing additional retirement contributions and decrease salary by approximately 10.1%. See attached side letter for settlement with other employee units covering same time period.

Healthcare Cost Sharing

City pays eighty-five percent (85%) of the cost of the lowest priced plan.

Healthcare Co-pays

\$25 Co-pay plan

Health and Dental in Lieu

Payment in-lieu of health and/or dental insurance program.

Healthcare Dual Coverage

Simultaneously covered employees

Salary Step Structure

2.5% Steps

Side Letters

- Sick Leave Payout Reform
- Retirement Reform
- Layoff Process and Procedure
- SRBR
- Subsidy for Public Transit

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Period of Memorandum of Agreement

Proposed Language:

This Agreement shall become effective July 1, 2011, except where otherwise provided, and shall remain in effect through June 30, 2013. No amendment or change to the provisions of this Agreement shall be valid or binding unless reduced to writing and signed by duly authorized representative(s) of the parties.

This contract expires on June 30, 2013. It is mutually agreed that the first meeting of the parties will be held no later than fifteen (15) calendar days after the City or Association receives notice from the other, which may be any date after January 1 of the year in which the current contract terminates.

This language is intended to replace the language in:

Article 1 of the IBEW Memorandum of Agreement

This proposal is submitted in an attempt to reach a settlement. In the event the proposal is not accepted, the IBEW reserves the right to modify, amend and/or add proposals.

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Wages

Proposed Language:

Effective June 26, 2011, all salary ranges for employees holding positions in classifications assigned to **[Union]** shall be decreased by approximately 10.1 %. This will result in the top and bottom of the range of all classifications represented by **[Union]** being 10.1% lower. All employees will receive a 10.1% base pay reduction.

This language is intended to replace the language in:

- *Article 5.1 through Article 5.1.6 of the IBEW Memorandum of Agreement.*

Note:

The City will "undo" one-time and ongoing additional employee retirement contributions that offset the City's retirement contribution rates and stop "one-time" base rate concessions made in Fiscal Year 2010-2011 effective June 25, 2011.

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Wages/Supplemental

In the event that the City reaches a settlement with any other employee unit covering the time period of this Agreement that has an ongoing total compensation reduction of less than ten percent (10%), in any form or manner, this agreement will reopen on the subject of total compensation and the parties will meet and confer to determine how the difference between a 10% ongoing total compensation reduction and the lesser amount agreed to with any other employee unit will be provided.

This provision will also apply in the event the City reaches a settlement which does not include the rollback of any general wage increase (not including any step and/or merit increases), as authorized by the City Council on November 25, 2010, received by any employee unit in. Fiscal Year 2010-2011.

This provision will not apply to any changes made to any employee unit which occurs as the result of an interest arbitration award that is the result of contested issues resolved only via a full evidentiary hearing and Substantive briefing.

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Healthcare Cost Sharing

Proposed Language:

Effective pay date July 1, 2011, the City pays eighty-five percent (85%) of the cost of the lowest priced plan for the employee or the employee and dependent coverage and the employee pays fifteen percent (15%) of the premium for the lowest priced plan. If the employee selects a plan other than the lowest priced plan, the employee pays the difference between the total cost of the selected plan and the City's contribution towards the lowest priced plan.

This language shall be added under:

- *Article 5.5.1 of the IBEW Memorandum of Agreement, (replaces current Article 5.5.1)*

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Healthcare Co-pays

Healthcare Co-Pays

Proposed Language:

Effective pay date July 1, 2011, a \$25 Co-pay plan shall be implemented for all HMO plans, including the following changes:

- a. Office Visit Co-pay shall be increased to \$25
- b. Prescription Co-pay shall be increased to \$10 for generic and \$25 for brand name
- c. Emergency Room Co-pay shall be increased to \$100
- d. Inpatient/Outpatient procedure Co-pay shall be increased to \$100

This Language shall be added under:

Article 5.5.2 of the IBEW Memorandum of Agreement, (replaces current Article 5.5.2)

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Health and Dental in Lieu

Proposed Language:

Effective pay date July 1, 2011, employees who qualify for and participate in the payment in-lieu of health and/or dental insurance program will receive the following per pay period:

| | Health In-lieu | Dental In-lieu |
|-------------------------------------|----------------|----------------|
| If eligible for family coverage | \$221.84 | \$19.95 |
| If NOT eligible for family coverage | \$89.09 | \$19.95 |

A City employee who receives healthcare coverage as a dependent of another City employee or retiree shall be deemed not eligible for family coverage.

This language shall be added under:

Article 5.5.4.2 of the IBEW Memorandum of Agreement, (replaces current Article 5.5.4.2)

This proposal is submitted in an attempt to reach a settlement. In the event the proposal is not accepted, the IBEW reserves the right to modify, amend and/or add proposals.

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Healthcare Dual Coverage

Proposed Language:

An employee may not be simultaneously covered by City-provided medical benefits as a City employee and as a dependent of another City employee or retiree.

This language shall be added under:

Article 5.5.5 of the IBEW Memorandum of Agreement as a new section.

Proposed Language:

An employee may not be simultaneously covered by City-provided dental benefits as a City employee and as a dependent of another City employee or retiree.

This language shall be added under:

Article 5.6.2 of the IBEW Memorandum of Agreement as a new section.

This proposal is submitted in an attempt to reach a settlement. In the event the proposal is not accepted, the IBEW reserves the right to modify, amend and/or add proposals.

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Salary Step Structure

Proposed Language:

Salary Steps

Effective June 26, 2011, the salary steps for all classifications represented by IBEW will be approximately 2.5% for a maximum of 10 steps. The 10th step shall be the top step shown in EXHIBIT I, Salary Schedule of the MOA.

Anyone having already completed an approved electrical apprenticeship program through the State of California, or equivalent, will automatically start at the 8th step. Any electrician who has acquired a state certification as required to perform his duties shall receive an additional 5% increase in pay.

This language shall be added as:

- *Article 5.1.7 of the IBEW Memorandum of Agreement*

**IBEW/City of San Jose Negotiations
IBEW Package Proposal 4**

Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

And

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO. 332

(IBEW)

SICK LEAVE PAYOUT

The City and the International Brotherhood of Electrical Workers Local 332 (IBEW) agree to continue meeting and ~~conferring on~~ ^{discussing} sick leave payout (Article 18.2 through Article 18.5) for current and future employees. The City understands that it can't unilaterally change retroactively earned benefits.

Either the City or IBEW may provide notice to the other of its request to meet and confer. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or IBEW receives notice from the other: The City and IBEW shall meet and discuss in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the right to mediation as set forth in the applicable provisions under the Employer-Employee Relations Resolution No. 39367

This side letter does not give the City any right, which it does not already have by law, to impose any unilateral changes regarding sick leave payout during the term of the 2011 – 2013 Memorandum of Agreement.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor agreement between the City and IBEW.

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Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

And

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO. 332

(IBEW)

RETIREMENT REFORM

The City and the International Brotherhood of Electrical Workers Local 332 (IBEW) agree to continue meeting and discussing pension benefits for future employees and non-vested retiree healthcare benefits for current and future employees.

Either the City or IBEW may provide notice to the other of its request to continue to meet and discuss. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or IBEW receives notice from the other. The City and IBEW shall continue to meet and discuss in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the right to mediation as set forth in the applicable provisions under the Employer-Employee Relations Resolution No. 39367

This side letter does not give the City any right, which it does not already have by law, to impose any unilateral changes regarding retirement during the term of the 2011 – 2013 Memorandum of Agreement.

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(IBEW)

LAYOFF

The City or the International Brotherhood of Electrical Workers Local 332 (IBEW) may provide notice to the other of its request to meet and discuss on modifications to the City's layoff process and procedure, including the provisions of the Layoff article in the Memorandum of Agreement. Upon such notice, the parties shall meet within ten (10) calendar days after the City or IBEW receives notice from the other. The City and IBEW shall meet and discuss in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the right to mediation as set forth in the applicable provisions under the Employer-Employee Relations Resolution No. 39367.

This side letter does not give the City any right, which it does not already have by law, to impose any unilateral changes regarding layoffs during the term of the 2011 – 2013 Memorandum of Agreement.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor Memorandum of Agreement.

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INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL NO. 332

(IBEW)

SUPPLEMENTAL RETIREE BENEFIT RESERVE (SRBR)

The City and the International Brotherhood of Electrical Workers Local 332 (IBEW) agree to discuss the Supplemental Retiree Benefit Reserve (SRBR) program in the Federated City Employees' Retirement System.

Either the City or (IBEW) may provide notice to the other of its request to discuss the SRBR program. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or (IBEW) receives notice from the other. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the right to mediation as set forth in the applicable provisions under the Employer-Employee Relations Resolution No. 39367

This side letter does not give the City any right, which it does not already have by law, to impose any unilateral changes regarding SRBR during the term of the 2011 – 2013 Memorandum of Agreement.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor Memorandum of Agreement.

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(IBEW)

SUBSIDY FOR PUBLIC TRANSIT

The City and the International Brotherhood of Electrical Workers Local 332 (IBEW) agree to discuss the programs available to employees that provide subsidy for public transit. Discussions shall include, but not be limited to, modifications to the programs, voucher amounts and elimination of the programs.

Either the City or IBEW may provide notice to the other of its request to discuss the programs available to employees that provide subsidies for public transit. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or IBEW receives notice from the other.

To the extent that any change to the programs may be a mandatory subject of bargaining, the City and IBEW shall meet and discuss in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the right to mediation as set forth in the applicable provisions under the Employer-Employee Relations Resolution No. 39367

This side letter does not give the City any right, which it does not already have by law, to impose any unilateral changes regarding public transit subsidies during the term of the 2011 – 2013 Memorandum of Agreement.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor agreement between the City and IBEW.